

WILLMAR CITY COUNCIL PROCEEDINGS
COUNCIL CHAMBERS
WILLMAR MUNICIPAL UTILITIES BUILDING
WILLMAR, MINNESOTA

March 3, 2003
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Lester Heitke. Members present on a roll call were Mayor Heitke, Council Members Doug Reese, Ron Christianson, Bruce DeBlieck, Denis Anderson, Nancy Houlahan, Rick Fagerlie, Jim Dokken, and David Chapin; Present 9, Absent 0.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, Fire Chief Marv Calvin, Public Works Director Mel Odens, Finance Director Steven Okins, Planning and Development Services Director Bruce Peterson, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Proposed additions to the agenda included Rice Hospital land acquisition and Planning Commission appointment.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of February 18, Municipal Utilities Commission Minutes of February 24, and Kandiyohi Area Transit Minutes of January 28, February 13 and 18, 2003. Council Member DeBlieck seconded the motion, which carried.

At 7:05 p.m. Mayor Heitke opened a hearing on an Ordinance Repealing Municipal Code Sections Requiring the Licensing of Liquor Servers. City Clerk Halliday presented details of the proposed Ordinance which will repeal the City requirement of licensing liquor servers. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:07 p.m.

Council Member Christianson offered a motion to adopt, assign a number, and order final publication of the Ordinance Repealing Municipal Code Sections Requiring the Licensing of Liquor Servers. Council Member Anderson seconded the motion, which carried on a roll call vote of Ayes 5, Noes 3 – Council Members Reese, Chapin and DeBlieck voted “No.”

Mayor Heitke acknowledged that no one had signed up to address the City Council during its scheduled Open Forum.

Planning and Development Services Director Peterson announced to the Mayor and Council that representatives of the Dorothy A. Olson Fund, a fund of the Minnesota Foundation, will provide a gift of \$1.2 million to the City of Willmar to build an aquatic center at the southeast corner of 15th Avenue and 22nd Street Southwest. The gift is contingent upon the City contributing \$285,000 towards the project.

Mr. Peterson and City Administrator Schmit had been working since last September with the advisors of the Olson Fund on the project's concept and financing. The pool proposal includes a zero-depth pool, a six-lane pool, a medium-depth pool with a water slide and deck furnishings, bath house and parking lot. Staff offered a recommendation to the Council to accept the funds contingent upon the School Board gifting the 7.5 acre tract of land desired by the Olson family

representatives. In a unanimous consensus the Council accepted the community gift and thanked the Olson family for their generosity. It was noted that the City funds would come from the Industrial Development Fund.

Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

BE IT RESOLVED by the City Council of Willmar, Minnesota, that the City hereby accepts a donation of \$1,200,000 from the Dorothy A. Olson Fund of the Minnesota Foundation for the purposes of constructing an outdoor swimming pool in Willmar under the terms and conditions outlined in correspondence from Charles B. Olson to the City dated February 22, 2003; FURTHER, that the City Council extends to the Olson family its sincere thanks for a gift that benefits all Citizens of Willmar and the surrounding area.

BE IT FURTHER RESOLVED, that the City Attorney be directed to prepare a standard agreement between the City of Willmar and Minnesota Foundation to facilitate the transfer of funds from the Foundation to the City; and FURTHER;

That the City Council directs that excess local option sales tax revenues be reappropriated from the industrial development fund to pay the City's share of swimming pool construction costs; and FURTHER

That the City Administrator be directed to enter into an agreement with USA Aquatics to prepare the necessary project plans and specifications.

Dated this 3rd day of March, 2003.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Community Development Committee Report for February 19, 2003, was presented to the Mayor and Council by Council Member DeBlieck. There were five items for Council consideration.

Item No. 1 Representatives of the Willmar Municipal Utilities were present to educate the Committee about the Energy Services/Load Sharing Program. The Committee was told how the program saves money by reducing power purchases. Participation in the program currently includes more than 300 residential customers and 35 commercial customers with approximately 60 customers on a waiting list.

Information was also provided on the Conservation Improvement Program mandated by the Minnesota Department of Commerce. The Load Sharing Program is one component of the mandatory Conservation Improvement Program. This matter was for information only.

Item No. 2 The Committee discussed unlicensed vehicles and how the current laws and City Ordinances deal with them. Staff reviewed City Zoning Ordinance regulations and State

statutes that deal with unlicensed and/or abandoned vehicles. This matter was for information only.

Item No. 3 Staff informed the Committee that the City Attorney had completed his review of the proposed Adult Oriented Business Ordinance. It was a consensus of the Committee that the ordinance be cleaned up and distributed to the Council for introduction at a future Council meeting. This matter was for information only.

Item No. 4 The Committee reviewed the draft policy of design standards for new commercial buildings in the City. It was the request of the City Attorney that the standards be put in ordinance form. Once the ordinance is drafted it will be presented to the Council for introduction at a future Council meeting. This matter was for information only.

Item No. 5 The Committee discussed the concept of engaging a lobbyist in Washington D.C. to work on behalf of the City to secure dollars for local projects. David Turch and Associates had been contacted by staff and submitted a proposal to provide lobbying/consulting services at a cost of \$54,000 per year. The Committee was recommending to the Council to engage the services of David Turch and Associates, contingent upon a source of funds being identified by the Finance Committee. It was noted that the identified fund source was the Industrial Development Fund. Council Members voiced concerns with tracking progress establishing a review system.

Following discussion, Resolution No. 2 was introduced by Council Member DeBlieck, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 1 – Council Member Dokken voted “No.”

RESOLUTION NO. 2

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator be authorized to enter into an agreement with Turch and Associates to provide consulting and technical assistance to the City for the Willmar Airport and other community/economic development projects and programs.

FURTHER, that the terms and conditions of the agreement shall be as generally described in the proposal from Turch and Associates, but will in no case exceed \$60,000 per year.

Dated this 3rd day of March, 2003.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Community Development Committee Report for February 19, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member DeBlieck, seconded by Council Member Fagerlie, and carried.

The Finance Committee Report for February 24, 2003, was presented to the Mayor and Council by Council Member Anderson. There were six items for Council consideration.

Item No. 1 C.V.B. Executive Director Stephanie Megyto appeared before the Committee requesting amendments to the Convention and Visitors Bureau 2003 Budget. The amendments would increase the budget slightly to account for anticipated increase in revenues from Kandiyohi County camping receipts and reclassify the appropriations to track the advertising costs in greater detail. The Committee was recommending to the Council that the request be approved as presented.

Resolution No. 3 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heike, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 3

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the Convention and Visitors Bureau Fund Budget:

Increase: Camping Fees	\$5,800.00
Increase: Appropriations	\$5,800.00

Dated this 3rd day of March, 2003.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 The Committee considered a policy defining public purpose expenditures drafted by staff to provide clarity with respect to the use of public funds for meals, recognition events, training, memberships and licensing requirements. The Committee was recommending to the Council that the public purpose expenditures policy be approved as presented.

Resolution No. 4 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 4

Public Purpose Expenditures

(For Resolution in its entirety, see City Council proceedings
File located at the City Clerk's Office)

Item No. 3 Staff presented to the Committee a proposed Memorandum of Understanding between the City and Rice Hospital. The discussion between City and Hospital staff explored various calculation options and alternatives for an intergovernmental transfer payment, and eventually settled on a five-year predetermined amount. It was theorized that it would be in everyone's best interests to postpone discussions of funding formulas and long-term agreements until after the successful completion of the Hospital's construction program. The agreement would be for a five year intergovernmental transfer proposal including payments of: \$150,000 in 2003; \$162,500 in 2004; \$175,000 in 2005; \$187,500 in 2006; and \$200,000 in 2007.

The Committee then recommended that the Council pass a resolution approving the

agreement as presented. Resolution No. 5 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 5

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator be authorized to enter into an agreement between the City of Willmar and Rice Memorial Hospital for payment of intergovernmental transfer.

Dated this 3rd day of March, 2003.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 The Committee discussed with staff information recently released regarding the Governor's proposed 2003-2005 State budgets. The discussion included preliminary LGA reduction numbers of \$600,000 in 2003 and \$1.4 million in 2004; definition of Total City Revenue; information from the League of Minnesota Cities and Coalition of Greater Minnesota Cities; and the scheduled visit of Governor Pawlenty and the League of Minnesota Cities on Tuesday, February 25, 2003. This item was for information only.

Item No. 5 The Committee discussed the action of the Community Development Committee to recommend hiring a Washington, D.C. lobbyist for the City of Willmar. It was determined that the action of funding and approval of any action would be discussed during the presentation of the Community Development Committee minutes at the Council meeting. This item was for information only.

Item No. 6 The Committee reviewed the following reports: December Community Foundation, Rice Hospital Financial and January Rice Trust activity. This item was for information only.

The Finance Committee Report for February 24, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Anderson, seconded by Council Member Fagerlie, and carried.

The Public Works/Safety Committee Report for February 25, 2003, was presented to the Mayor and Council by Council Member Reese. There were four items for Council consideration.

Item No. 1 The Committee met with Burlington Northern Santa Fe representatives and viewed a training video offered to the employees chosen to operate remote controlled engines. Jan Ruby of BNSF answered questions and explained the program in more detail. Mr. Ruby talked about the basic components of the operations and the multiple steps involved in controlling the engines. The controls would be operated by two individuals rather than using a crew of three. This type of system is working well at other locations and was developed for safety, efficiency and cost purposes. It was noted that Chiefs Kulset and Calvin have visited a site currently using the new technology.

The Committee considered concerns of those present including a request to pass a

resolution limiting the speed and requiring a switchman at all crossings when trains pass over. It was the consensus of the Committee to take no action, and this matter was for information only.

Item No. 2 Staff presented to the Committee copies of the Funding Street Construction and Maintenance in Minnesota Cities Report. The report was produced by the Transportation Policy Institute in partnership with the Minnesota City Engineers Association, the Minnesota Public Works Association, and the League of Minnesota Cities and includes several policy recommendations, which it hopes would lead to improved municipal street conditions. The recommendations will be used to demonstrate to legislators that cities need flexible policies and greater resources in order to meet growing demands for street improvements.

The Committee was recommending the Council adopt a resolution in support of the report's recommendations for legislation supporting these efforts. Resolution No. 6 was introduced by Council Member Reese, seconded by Council Member DeBleck, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 6

A RESOLUTION SUPPORTING LEGISLATION TO PROVIDE IMPROVED FUNDING OPTIONS FOR CITY STREET IMPROVEMENTS

WHEREAS, Minnesota contains over 135,000 miles of roadway, and over 19,000 miles—or 14 percent—are owned and maintained by Minnesota's 853 cities; and

WHEREAS, city streets are a separate but integral piece of the network of roads supporting movement of people and goods; and

WHEREAS, existing funding mechanisms, such as Municipal State Aid (MSA), property taxes, special assessments and bonding, have limited applications, leaving cities under-equipped to address growing needs.

WHEREAS, maintenance costs increase as road systems age, and no city-large or small—is spending enough on roadway capital improvements to maintain a 50-year lifecycle; and

WHEREAS, the Council of the City of Willmar finds it is difficult to develop adequate funding systems to support the City's needed street improvement and maintenance programs while complying with existing State statutes; and

WHEREAS, the League of Minnesota Cities, the Minnesota Public Works Association and the City Engineers Association of Minnesota, have jointly sponsored the development of a report entitled *Funding Street Construction and Maintenance in Minnesota's Cities* wherein (1) the street systems of the cities within the State are inventoried; (2) the existing funding systems are detailed and evaluated; and (3) recommendations are made; and

WHEREAS, cities need flexible policies and greater resources in order to meet growing demands for street improvements and maintenance.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Willmar that this Council concurs with the findings of the above referenced report, and fully supports the recommendations contained in that report; and

BE IT FURTHER RESOLVED by the Council of the City of Willmar that this Council supports the adoption of legislation that would provide cities with the policy options they need to address current and future challenges in providing adequate street improvement and maintenance programs.

Dated this 3rd day of March, 2003.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee reviewed the final draft of the proposed revised Assessment Policy. The Committee reviewed the policy section referring to the assessable footage for corner lots, and it was the consensus of the Committee to approve staff's recommendation and use the average lot footage for all lots within 300 feet on each side of the corner lot along the street being assessed rather than using the total street footage divided by the number of abutting streets. Language will be included to address situations where these criteria are not appropriate.

The Committee was recommending the Council approve of the language changes and adopt the Comprehensive Assessment Policy as revised. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Christianson seconding the motion, which carried.

The Committee then discussed sanitary sewer and water line repairs made outside of an improvement project and noted this would not be part of the new assessment policy. It was further noted that the opportunity to comment on the new policy would be offered at the assessment hearing and public hearing to incorporate the utility replacement fee. Council Member Reese moved to direct the City Attorney to draft a utility fee ordinance to be introduced at a later date. Council Member DeBlieck seconded the motion, which carried..

Item No. 4 The Committee considered plans and specifications for the 2003 Street Improvements and was recommending the Council approve the plans and specifications and authorize advertisement of bids.

Resolution No 7 was introduced by Council Member Reese, seconded by Council Member DeBlieck, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 7

WHEREAS the City Engineer of the City of Willmar has presented to the City Council plans and specifications for Project No. 0301 – 2003 Street Improvements for the City of Willmar;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Willmar that:

Final plans and specifications are hereby approved, and publication of the advertisement for bids is herewith authorized. Bids will be publicly opened and read at 1:00 p.m. on the 31st day of March, 2003, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 3rd day of March, 2003.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Public Works/Safety Committee Report of February 25, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Reese, seconded by Council Member DeBlieck, and carried.

Announcements for Council Committee meeting dates were as follows: Finance, March 10; Public Works/Safety, March 11; and Labor Relations, March 12, 2003.

Mayor Heitke presented to the Council for information the appointment of Fernando Alvarado to the Planning Commission. Council Member Reese moved to approve the appointment as presented with Council Member Anderson seconding the motion, which carried.

City Attorney Ronning informed the Mayor and Council that Rice Memorial Hospital's acquisition of property located at 505 Southwest 4th Street requires condemnation proceedings, and he was recommending adoption of a resolution directing him to commence proceedings. Marlys Schafer, along with her Attorney Ryan Hatton, appeared before the Mayor and Council to request a short delay as negotiations of the appraised value and relocation costs were near completion with the Hospital. The Council directed Mr. Hatton to be expeditious with the negotiations, but concluded that the proceedings should continue in case negotiations fail.

Resolution No. 8 was introduced by Council Member Reese, seconded by Council Member DeBlieck, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 1 – Council Member Fagerlie voted “No.”

RESOLUTION NO. 8

WHEREAS, Rice Memorial Hospital, a wholly owned subsidiary of the City of Willmar is expanding its building, which expansion is currently under construction; and

WHEREAS, Rice Memorial Hospital is in need of additional parking to the south of the Hospital; and

WHEREAS, Rice Memorial Hospital has acquired a number of properties on Block 64 of First Addition to the City of Willmar for parking purposes; and

WHEREAS, Rice Memorial Hospital and its agents have been negotiating the acquisition of the Marlys A. Schafer property; and

WHEREAS, the Hospital has been unable to reach an agreement with Schafer for the acquisition of said property; and

WHEREAS, it is necessary for the City, on behalf of Rice Memorial Hospital, to avail itself of the provisions of Minn. Stat. §117.01 et. seq. for the condemnation and “quick take” of said real estate;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Willmar, that the City Attorney is hereby directed to commence in the name of the City of Willmar and on behalf of the City of Willmar and Rice Memorial Hospital, a condemnation proceeding under Minn. Stat. §117.01 et. seq. for the acquisition of the Marlys A. Schafer real estate, which is legally described as the West 100 feet of Lot 13 of Block 64 of First Addition to city of Willmar; and

BE IT FURTHER RESOLVED, that the approved appraised value for the Schafer property be the appraised value of \$111,000.00.

Dated this 3rd day of March, 2003.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Community Education and Recreation Director Brisendine presented to the Mayor and Council the 2002 Community Education and Recreation Departmental annual report. Following a question and answer period, the report was ordered placed on file in the City Clerk's Office.

There being no further business to come before the Council, the meeting adjourned at 8:58 p.m. upon motion by Council Member Christianson, seconded by Council Member Dokken, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL